



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-041]

Truck and Bus Tires from the People's Republic of China: Final Results of the Countervailing Duty Administrative Review; 2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) determines that certain exporters/producers of truck and bus tires from the People's Republic of China (China) received countervailable subsidies during the period of review (POR) January 1, 2020, through December 31, 2020. Additionally, we are rescinding the review for eight companies with no shipments of subject merchandise to the United States during the POR.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Brontee Jeffries or Theodore Pearson, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4656 or (202) 482-2631, respectively.

Background

Commerce published the *Preliminary Results* of this administrative review on March 8, 2022,¹ and invited comments from interested parties. For a complete description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.²

Scope of the Order

¹ See *Truck and Bus Tires from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review, Rescission of Review in Part, and Intent to Rescind in Part; 2020*, 87 FR 12929 (March 8, 2022) (*Preliminary Results*).

² See Memorandum, "Issues and Decision Memorandum for the Final Results of the Countervailing Duty Administrative Review of Truck and Bus Tires from the People's Republic of China," concurrently with, and hereby adopted by, this notice.

The products covered by the *Order* are truck and bus tires. For a complete description of the scope, *see* the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised by the interested parties in their case and rebuttal briefs are addressed in the Issues and Decision Memorandum. A list of these issues is provided in Appendix I to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and CVD Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Changes Since the *Preliminary Results*

Based on comments received from interested parties, we revised the calculation of the net countervailable subsidy rate for Ge Rui Da Rubber Co., Ltd. (GRT). We made no changes for Prinx Chengshan (Shandong) Tire Co., Ltd. For a discussion of the issues, *see* the Issues and Decision Memorandum.

Methodology

Commerce conducted this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we find that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.³ For a full description of the methodology underlying all of Commerce's conclusions, including our reliance, in part, on adverse facts available pursuant to sections 776(a) and (b) of the Act, *see* the Issues and Decision Memorandum.

Partial Rescission of Administrative Review

³ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

It is Commerce's practice to rescind an administrative review of a countervailing duty order, pursuant to 19 CFR 351.213(d)(3), when there are no reviewable entries of subject merchandise during the POR for which liquidation is suspended.⁴ Normally, upon completion of an administrative review, the suspended entries are liquidated at the countervailing duty assessment rate calculated for the review period.⁵ Therefore, for an administrative review of a company to be conducted, there must be a reviewable, suspended entry that Commerce can instruct U.S. Customs and Border Protection (CBP) to liquidate at the countervailing duty assessment rate calculated for the review period.⁶

According to the CBP import data, eight companies subject to this review did not have reviewable entries of subject merchandise during the POR for which liquidation is suspended.⁷ Further, in response to the *Preliminary Results*, no party submitted information to contradict the information on the record. Therefore, because there is no evidence on the record of this segment of the proceeding to indicate that these companies had entries, exports, or sales of subject merchandise to the United States during the POR, we are rescinding the administrative review with respect to these companies, consistent with 19 CFR 351.213(d)(3).

Non-Selected Companies' Rate

We made no changes to the methodology for determining a rate for companies not selected for individual examination from the *Preliminary Results*. However, due to changes in calculations for GRT, the non-selected rate changed for each of the eight non-selected companies for which a review was requested and not rescinded, and which were not selected as mandatory respondents. For these companies, we are applying an *ad valorem* subsidy rate of 16.85 percent.

⁴ See, e.g., *Lightweight Thermal Paper from the People's Republic of China: Notice of Rescission of Countervailing Duty Administrative Review*; 2015, 82 FR 14349 (March 20, 2017); see also *Circular Welded Carbon Quality Steel Pipe from the People's Republic of China: Rescission of Countervailing Duty Administrative Review*; 2017, 84 FR 14650 (April 11, 2019).

⁵ See 19 CFR 351.212(b)(2).

⁶ See 19 CFR 351.213(d)(3).

⁷ The eight companies are: Chongqing Hankook Tire Co., Ltd.; Guangrao Kaichi Trading Co., Ltd.; Qingdao Fullrun Tyre Corp. Ltd.; Qingdao Honghuasheng Trade Co., Ltd.; Qingdao Kapsen Trade Co., Ltd.; Qingdao Sunfulcess Tyre Co., Ltd.; Shandong Habilead Rubber Co., Ltd.; and Shandong Qilun Rubber Co., Ltd.

Final Results of the Administrative Review

We find the following net countervailable subsidy rates for the POR January 1, 2020, through December 31, 2020:

Producer/Exporter	Subsidy Rate (percent <i>ad valorem</i>)
Prinx Chengshan (Shandong) Tire Co., Ltd. ⁸	17.85 percent
Qingdao Ge Rui Da Rubber Co., Ltd. ⁹	16.76 percent
Review-Specific Average Rate Applicable to the Following Companies	
Jiangsu General Science Technology Co., Ltd.	16.85 percent
Jiangsu Hankook Tire Co., Ltd.	16.85 percent
Qingdao Awesome International Trade Co., Ltd	16.85 percent
Qingdao Doublestar Tire Industrial Co., Ltd.	16.85 percent
Shandong Haohua Tire Co., Ltd.	16.85 percent
Shandong Huasheng Rubber Co., Ltd	16.85 percent
Shandong Kaixuan Rubber Co., Ltd	16.85 percent
Triangle Tyre Co., Ltd.	16.85 percent

Disclosure

We intend to disclose calculations and analysis performed for these final results of review within five days after the date of publication of this notice in the *Federal Register* in accordance with 19 CFR 351.224(b).

Assessment Requirements

In accordance with section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(2),

⁸ Cross-owned affiliates are Chengshan Group Co., Ltd.; Shanghai Chengzhan Information and Technology Center; Prinx Chengshan (Qingdao) Industrial Research & Design Co., Ltd.; and Shandong Prinx Chengshan Tire Technology Research Co., Ltd.

⁹ Cross-owned affiliates are Cooper Tire (China) Investment Co. Ltd.; Cooper Tire Asia-Pacific (Shanghai) Trading Co., Ltd.; Cooper (Kunshan) Tire Co., Ltd.; and Qingdao Yiyuan Investment Co., Ltd.

Commerce shall determine, and CBP shall assess, countervailing duties on all appropriate entries covered by this review. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

With respect to the companies for which this administrative review is rescinded, countervailing duties shall be assessed at rates equal to the cash deposit rate required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2020, through December 31, 2020, in accordance with 19 CFR 351.212(c)(1)(i).

Cash Deposit Requirements

In accordance with section 751(a)(1) of the Act, we also intend to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown above for the above-listed companies with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of these final results of review. For all non-reviewed firms, CBP will continue to collect cash deposits of estimated countervailing duties at the all-others rate or the most recent company-specific rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Administrative Protective Order

This notice also serves as a final reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

The final results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213(d)(4) and 19 CFR 351.221(b)(5).

Dated: June 24, 2022.

Lisa W. Wang,
Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

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- IX. Analysis of Comments
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 - Comment 4: Whether Cooper Tire (China) Investment Co. Ltd. (CTIC) Is Creditworthy
 - Comment 5: Whether Commerce Should Alter the Benchmark for Ocean Freight
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- X. Recommendation